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Italy

Trade Policy Monitoring

Almond Trade Policy

2008

Approved by:

Jim Dever
U.S. Embassy

Prepared by:

Sandro Perini

Report Highlights:

This report uses a recent problem with shipments of U.S. almonds to Italy to demonstrate how all-too-often trade problems arise when EU Member States inconsistently adopt and implement EU regulations.

Includes PSD Changes: No
Includes Trade Matrix: No
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The Almond Board's implementation of the Voluntary Aflatoxin Sampling Plan (VASP) for shipments to the European Union in September 2007 has had a positive effect on U.S. exports of almonds to Italy by sharply reducing the number of rejections due to aflatoxin. One of the major results of the VASP is that only about 5 percent of almond shipments from the United States are now tested. Without a VASP certificate, almonds are subject to 100 percent control due to the EU's implementation of the so called Special Measures, calling for mandatory testing of California almonds.

Italy remains a fairly large importer of U.S. almonds despite significant domestic production. Italian imports average about 20,000 tons per year, valued about \$100 million, due to strong demand from the local confectionary industry. In spite of the generally smooth implementation of the VASP system, some problems have cropped up in recent months due to different methodologies implemented by the field import health authorities in Italy.

In April 2008, one shipment of U.S. almonds reportedly tested positive for aflatoxin by the Naples port health authorities, which triggered a rapid alert notification under the RASFF system. In addition to the RASFF, the Italian Ministry of Health has independently decided to extend to food products of vegetable origin the provisions originally fixed for animal products by the EU (Directive 97/78/CE of the Council of December 18, 1997) and implemented in Italy through D.Lgs. 80 of February 25, 2000, art. 22. This rule states that the next 10 (consecutive) consignments from any rejected shipper must then be inspected by the port of entry authorities. It is not entirely clear that Italian ports have adequate facilities to test a larger number of shipments in an expeditious manner. Further, apparently no other EU Member State applies this rigorous standard.

In addition to the adoption of stricter standards for rejected shipments (of food products of vegetable origin), a significant problem is that Italian ports do not implement the regulations consistently so that an affected shipper's next 10 consecutive shipments may not be all tested. This situation, in fact, recently occurred. A U.S. shipper shipped more than 10 (cleared) consecutive consignments to Italy. However, Italian authorities failed to lift the alert because not all of the cleared shipments had actually been inspected due to inconsistent implementation of the regulations by the port authorities. This inconsistent implementation resulted in a great deal of confusion among the different parties, including the exporter and his shipper, agent, and importer as well as Italian and U.S. authorities. Finally, after the 10th inspected shipment was cleared, the alert was lifted.

Both FAS/Rome and the U.S. Almond Board will continue to work with Italian authorities in order to prevent the repetition of this unnecessary confusion in the future.